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Patience Is Running Thin

Amid grim forecasts, the U.S. presses harder for reform

Two senior U.S. officials went to Capitol Hill last week to tell the Senate Foreign Relations Committee about the outlook for the Philippines and President Ferdinand Marcos. Their forecast: stormy weather ahead for both. Assistant Secretary of State Paul Wolfowitz warned that the Philippines was heading toward "civil war on a massive scale." The pace of economic, political and military reform, added Assistant Secretary of Defense Richard Armitage, was "insufficient to arrest the growth of the [Communist] insurgency." The country could reach a "strategic stalemate" in as little as three years.

Two days later the Senate Select Committee on Intelligence sounded a similarly bleak note. The panel released a report predicting that the Marcos regime could fall in three years. The committee chairman, Republican Senator David Durenburger of Minnesota, went so far as to call on Marcos to step down. "Our patience is running out," added Richard Lugar of Indiana, chairman of the Foreign Relations Committee. "I don't think President Marcos has gotten the word."

If the warnings from Washington were not loud enough to penetrate the walls of Malacañang Palace, the protest chants in Manila certainly were. Last week 5,000 demonstrators marched near the palace gates, vowing to avenge the slayings of two students who had been shot by security forces during an earlier protest. The next day 2,000 women paraded through the capital to protest the "Marcos-Reagan dictatorship." Then U.S. Ambassador Stephen Bosworth charged that 15 Americans have been killed in the Philippines during the past two years, four of them "allegedly at the hands of security forces." At week's end there was more bad news for Marcos: one of his physicians, Dr. Potenciano Baccay, 45, had been kidnapped and slain.

If the turbulent week sapped Marcos' energy, he was not letting it show. His top priority, it seemed, was to counter negative press reports about his health and that of his regime. On Wednesday, he spent a total of five hours with the members of a TIME-sponsored Newstour. He appeared physically fit, but his bland and selective answers to questions were starkly at variance with the reality that U.S. officials and his domestic critics claim for the Philippines (see interview). Two days later, after posing for photographs showing him jogging and golfing, Marcos flew to his home province, Ilocos Norte, belying reports that he rarely leaves the palace.

Despite that bravura performance, the bleak outlook for the Marcos regime remained unchanged. "It's as if the central nervous system has broken down," said a U.S. policymaker. "Orders are issued at the center, but nothing happens in the provinces." The situation did little to convince the Reagan Administration that Marcos could meet what has emerged as the principal U.S. demands: military reform, open elections and an efficient economy freed from the corrupt grasp of Marcos' cronies. The ultimate fear: an eventual Communist takeover that would result in the loss of a longtime ally and deprive the U.S. of critical military installations at Clark Air Force Base and the Subic Bay Naval Station.

For now, the archipelago's chief problem remains its devastated economy. U.S. officials disclosed last week that the Philippines' failure to agree on future Interna-

tional Monetary Fund targets for economic performance has delayed \$113 million in IMF loans. Inflation is expected to hit 25% this year, while the Philippines' 15% unemployment and 40% underemployment rates are the highest in the region. The Philippines, Bernardo Villegas of Metro Manila's independent Center for Research and Communications claims, "is the economic basket case" of the Asia-Pacific region. Villegas traces most of the problems to "the excesses of crony capitalism and other forms of political patronage."

The Communist insurgents, meanwhile, have been steadily profiting from the domestic unrest sparked by the August 1983 assassination of Benigno Aquino, who was Marcos' chief political rival. Marcos estimates that the Communist New People's Army has only about 9,000 armed troops, and he proudly pointed last week to a ceremony in which 45 alleged former Communist guerrillas surrendered to the government and 3,000 purported sympathizers swore allegiance to him. The Administration's Armitage, on the other hand, last week put the rebel ranks closer to 16,500. In addition, military unity has begun to fray. While acting Chief of Staff General Fidel Ramos has attempted to discipline soldiers and retrain many of the country's 300,000 armed troops, morale remains low among younger officers whose promotions are blocked by Marcos' aging retainers.

Luckily for the President, his political opponents are in disarray. Moderates among them say that if the President were to call a "snap election," as he has threatened on occasion, the parties would be able to unite around a single candidate. But the jostling has turned up no clear favorite, save Aquino's widow Corazon, who is resisting pressure to run. Meanwhile, the anti-U.S. leftist opposition seems to be growing in strength.

In Washington, pessimism has given rise to disturbing speculation by some analysts that the Philippines could go the way of Iran. Ambassador Bosworth dismisses the possibility, arguing that Filipinos, unlike Iranians, support "change through elections." Also, there is no mass movement in the Philippines that parallels Iran's Fundamentalist Muslim wave. Marcos, analysts say, has only one thing in common with the Shah: a fear that Washington may pull the plug on an old friend. The Reagan Administration has thus far held firm to its strategy of coaxing reforms from Marcos by rewarding steps toward moderation. Given the mounting resistance both on Capitol Hill and in the streets of Manila, however, that course, like the Marcos regime, may come under increasing fire.

—By Jill Smolowe. Reported by Sandra Burton/Manila and Hays Gorey/Washington



Angry protesters attend a funeral march



Alleged Communist sympathizers swear allegiance to Marcos
Dire warnings of "civil war on a massive scale."

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